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Weldon, and Wood**

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Committee Report: Favorable with amendments  
House action: Adopted with floor amendments  
Read second time: March 31, 2003

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CHAPTER \_\_\_\_\_

1 AN ACT concerning

2                                   **Telecommunication and Computer Network Access - Underserved Areas**  
3                                   **Task Force on Broadband Communications Deployment in Underserved**  
4                                   **Rural Areas**

5 FOR the purpose of ~~altering certain provisions relating to a certain State~~  
6 ~~telecommunication and computer network under the Department of Budget and~~  
7 ~~Management; providing for access to a certain telecommunication and computer~~  
8 ~~network by certain persons; providing for the construction of certain network~~  
9 ~~facilities in areas where existing commercial access is lacking; providing for~~  
10 ~~certain points of presence in certain areas in a certain manner; requiring the~~  
11 ~~Department to consult and coordinate with certain agencies and entities for~~  
12 ~~certain purposes; declaring the intent of the General Assembly; requiring~~  
13 ~~establishing a Task Force on Broadband Communications Deployment in~~  
14 ~~Underserved Rural Areas; providing for the membership and duties of the Task~~  
15 ~~Force; providing for staffing of the Task Force; prohibiting a member of the Task~~  
16 ~~Force from receiving certain compensation; authorizing a member of the Task~~  
17 ~~Force to receive reimbursement for certain expenses; providing for a panel of~~  
18 ~~advisors; requiring the Task Force to report to the Governor and the General~~  
19 ~~Assembly on or before certain dates; encouraging the Department of Business~~  
20 ~~and Economic Development and the Department of Budget and Management to~~  
21 ~~undertake certain actions by certain dates and to report to the General~~  
22 ~~Assembly on certain actions by a certain date; providing for the termination of~~  
23 ~~this Act; and generally relating to telecommunication and computer networking~~  
24 ~~and underserved areas~~ **the Task Force on Broadband Communications**

1 Deployment in Underserved Rural Areas.

2 ~~BY repealing and reenacting, with amendments,~~

3 ~~Article—State Finance and Procurement~~

4 ~~Section 3-702 and 3-705~~

5 ~~Annotated Code of Maryland~~

6 ~~(2001 Replacement Volume and 2002 Supplement)~~

7 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF

8 MARYLAND, That ~~the Laws of Maryland read as follows:~~

9 (a) There is a Task Force on Broadband Communications Deployment in  
10 Underserved Rural Areas.

11 (b) The Task Force consists of the following 20 members:

12 (1) three members of the Maryland House of Delegates, one each from  
13 Western Maryland, Southern Maryland, and the Eastern Shore, appointed by the  
14 Speaker of the House;

15 (2) three members of the Senate of Maryland, one each from Western  
16 Maryland, Southern Maryland, and the Eastern Shore, appointed by the President of  
17 the Senate;

18 (3) three technical experts representing public sector agencies and  
19 universities appointed jointly by the Chairmen of the Southern Maryland, Western  
20 Maryland, and Eastern Shore delegations to the General Assembly;

21 (4) the Secretary of Budget and Management, or the Secretary's  
22 designee;

23 (5) the Secretary of Business and Economic Development, or the  
24 Secretary's designee;

25 (6) the Chairman of the Public Service Commission, or the Chairman's  
26 designee; and

27 (7) the following members appointed by the Governor:

28 (i) a representative of the Maryland Technology Development  
29 Corporation;

30 (ii) a representative of the Forvm for Rural Maryland;

31 (iii) a representative of the Tri-County Council for Western  
32 Maryland;

33 (iv) a representative of the Tri-County Council for Southern  
34 Maryland;

1                   (v)     a representative of the Tri-County Council for the Lower  
2 Eastern Shore of Maryland;

3                   (vi)    a representative of the Mid-Shore Regional Council;

4                   (vii)   a local government representative from Carroll County or  
5 Frederick County; and

6                   (viii)   a local government representative from Harford County, Cecil  
7 County, Kent County, or Queen Anne's County.

8     (c)     The Governor shall designate the Chairman of the Task Force.

9     (d)     The Chairman of the Task Force may establish subcommittees of the Task  
10 Force to assist in the work of the Task Force.

11     (e)     A member of the Task Force may not receive compensation for serving on  
12 the Task Force, but is entitled to reimbursement for expenses under the Standard  
13 State Travel Regulations, as provided in the State budget.

14     (f)     (1)     The Chairman of the Task Force may convene a panel of advisors to  
15 solicit comments and recommendations on broadband communications in rural areas  
16 and other issues defined by the Task Force.

17             (2)     The panel of advisors may assist the Task Force in its work as  
18 determined by the Chairman of the Task Force.

19     (g)     The panel of advisors may include representatives of:

20             (1)     local telephone service providers;

21             (2)     long distance telephone service providers;

22             (3)     cable service providers;

23             (4)     wireless service providers;

24             (5)     satellite service providers;

25             (6)     investor-owned electric utility providers;

26             (7)     rural electric cooperatives;

27             (8)     municipal electric utilities;

28             (9)     Internet service providers;

29             (10)    the Network Maryland Advisory Group;

30             (11)    the Network Maryland Engineering Committee;

- 1           (12)    the Governor's Technology Commission;  
2           (13)    the Information Technology Board;  
3           (14)    the Maryland Chamber of Commerce;  
4           (15)    the Maryland Municipal League;  
5           (16)    the Maryland Association of Counties;  
6           (17)    the Maryland Rural Health Association;  
7           (18)    organizations representing schools, libraries, colleges, universities,  
8 and high technology councils; and  
9           (19)    any other group, organization, or person, as determined by the  
10 Chairman of the Task Force.

11       (h)     The Task Force shall:

12           (1)    shall consider developments and best practices in regions of the  
13 country where broadband communications are being deployed in rural communities,  
14 the broadband networking infrastructure in those areas, and the direct and indirect  
15 benefits and costs associated with the networks;

16           (2)    after considering existing State and regional broadband  
17 communications assessments and information that may become available during the  
18 deliberations of the Task Force, shall evaluate:

19                   (i)     the resources, infrastructure, and cost structures now in place  
20 or available in the various rural regions of the State for developing or obtaining access  
21 to broadband communications;

22                   (ii)    the feasibility of using existing or alternative legal mechanisms  
23 and infrastructure to support the economical development of broadband  
24 communications in rural areas of the State;

25                   (iii)   the utility of several applications where broadband  
26 communications would benefit rural areas, such as applications relating to  
27 agriculture, medicine, and education; and

28                   (iv)    any other matters that the Task Force considers pertinent to  
29 establishing effective broadband communications in the rural areas of the State;

30           (3)    shall encourage the development of specific goals for the State in the  
31 deployment of broadband communications in rural areas, including:

32                   (i)     the development of economically competitive access to  
33 broadband communications by the public and private sectors in each rural area of the  
34 State;

1                   (ii)     the availability of broadband communications access  
2 throughout the rural areas of the State to address issues of universal service in  
3 unserved and underserved communities;

4                   (iii)    the development and expansion of practical applications for the  
5 enhancement of economic development, and other public benefits;

6                   (iv)     the development of affinities and interconnection among the  
7 governmental units in the State, educational institutions, and private industry; and

8                   (v)     any other goals that the Task Force determines to be in the  
9 public interest;

10               (4)     shall develop proposals and recommendations for the establishment  
11 and enhancement of broadband communications in rural areas by:

12                   (i)     reviewing government policies for the promotion, development,  
13 and economically competitive use of broadband communications;

14                   (ii)    identifying sources of funding and support, including leveraging  
15 of State and federal resources;

16                   (iii)   encouraging private and public participation in the  
17 development and use of broadband communications in rural areas, including demand  
18 aggregation and resource leveraging to enhance economic and technological  
19 development; and

20                   (iv)    examining any other pertinent issues; and

21               (5)     shall oversee the implementation of the Task Force's  
22 recommendations made under item (4) of this subsection, and as the Task Force may  
23 determine, offer any recommendations pertaining to:

24                   (i)     legislation for possible introduction in the 2004 or 2005 session  
25 of the General Assembly to implement the recommendations of the Task Force;

26                   (ii)    budget provisions and amendments for inclusion in the State  
27 budgets for fiscal years 2005, 2006, and beyond; and

28                   (iii)   programmatic changes in State procurement or other areas that  
29 might be implemented by regulation.

30               (i)     (1)     In accordance with § 2-1246 of the State Government Article, the  
31 Task Force shall report to the Governor and to the President of the Senate of  
32 Maryland, the Speaker of the House of Delegates, the Senate Finance Committee, the  
33 House Economic Matters Committee, and the chairmen of the General Assembly's  
34 rural delegations, as provided in paragraph (2) of this subsection.

35               (2)     The Task Force shall issue:

1 (i) on or before December 1, 2003, a preliminary report and draft  
 2 statewide rural development plan focusing on public and private broadband  
 3 communications access;

4 (ii) on or before January 15, 2004, an interim report and  
 5 recommendations for a statewide broadband communications plan focusing on private  
 6 sector access;

7 (iii) on or before December 1, 2004, a progress report on the  
 8 implementation of the plans for public and private broadband communications access,  
 9 together with any follow-up recommendations; and

10 (iv) on or before June 30, 2005, a final report of the Task Force.

11 (j) The Maryland Technology Development Corporation shall provide staff  
 12 support to the Task Force, with the assistance of the Forvm for Rural Maryland, the  
 13 Department of Budget and Management, and the Department of Business and  
 14 Economic Development, and other appropriate State, regional, and local agencies.

15 **Article – State Finance and Procurement**

16 ~~3-702.~~

17 (a) The Department shall:

18 (1) ~~coordinate the development, procurement, management and~~  
 19 ~~operation of telecommunication equipment, systems, and services by State~~  
 20 ~~government, BOTH BY DIRECT ACQUISITION AND BY USE OF OTHER PUBLIC AND~~  
 21 ~~PRIVATE INFRASTRUCTURE;~~

22 (2) ~~acquire and manage common user telecommunication equipment,~~  
 23 ~~systems, [or] AND services and [charge] PROVIDE A STANDARD INTERFACE FOR~~  
 24 ~~COMMON BACKBONE SERVICES AT A FLAT RATE TO units of State government [for~~  
 25 ~~their proportionate share of the costs of installation, maintenance, and operation of~~  
 26 ~~the common user telecommunication equipment, systems, or services] AND MAKE~~  
 27 ~~SUPPLEMENTAL INTENSIVE HIGH BANDWIDTH SERVICES AVAILABLE TO THOSE~~  
 28 ~~UNITS AT ADDITIONAL COST;~~

29 (3) ~~promote compatibility of telecommunication systems by developing~~  
 30 ~~policies, procedures, and standards for the acquisition and use of telecommunication~~  
 31 ~~equipment, systems, and services by units of State government;~~

32 (4) ~~coordinate State government telecommunication systems and~~  
 33 ~~services by reviewing requests by units of State government for telecommunication~~  
 34 ~~equipment, systems, or services;~~

35 (5) ~~advise units of State government about planning, acquisition, and~~  
 36 ~~operation of telecommunication equipment, systems, or services; and~~

1           (6)     provide radio frequency coordination for State and local governments  
2 in accordance with regulations of the Federal Communications Commission.

3           (b)     The Department [may] ~~SHALL~~ make arrangement for [a user] ~~ALL USERS~~  
4 other than a unit of State government to have access to and use of State  
5 telecommunication equipment, systems, and [services and shall charge the user any  
6 appropriate amount to cover the cost of installation, maintenance, and operation of  
7 the telecommunication equipment, system, or service provided] ~~SERVICES~~:

8           (1)     ~~OFFERING TO LOCAL GOVERNMENTS AND THEIR UNITS A PLATFORM~~  
9 ~~OF BACKBONE SERVICES ON A STANDARD SCHEDULE OF FLAT RATES, AND MAKING~~  
10 ~~SUPPLEMENTAL INTENSIVE HIGH BANDWIDTH SERVICES AVAILABLE TO THOSE~~  
11 ~~GOVERNMENTS AND UNITS AT ADDITIONAL COST; AND~~

12           (2)     ~~OFFERING BROADBAND SERVICES, INCLUDING SUPPLEMENTAL~~  
13 ~~INTENSIVE HIGH BANDWIDTH SERVICES, AVAILABLE TO OTHER USERS ACCORDING~~  
14 ~~TO AN APPROPRIATE SCHEDULE OF CHARGES OR USING ANY OTHER APPROPRIATE~~  
15 ~~METHOD TO RECOVER THE COSTS OF PROVIDING SERVICES TO THESE USERS.~~

16 ~~3-705.~~

17           (a)     The General Assembly declares that:

18           (1)     it is the policy of the State to foster ~~BROADBAND~~ telecommunication  
19 and computer networking [among State and local governments, their agencies, and  
20 educational institutions in] ~~THROUGHOUT~~ the State;

21           (2)     the current alignment of [interagency and educational]  
22 telecommunication and computer networking in the State, based in part on the  
23 arrangement of Local Access and Transport Areas (LATAs), does not serve all areas of  
24 the State equally, but instead creates a disparity between rural and urban regions;

25           (3)     rates for the intrastate inter-LATA telephone communications  
26 needed for effective integration of telecommunication and computer resources are  
27 prohibitive for many smaller governments, agencies, and [institutions] ~~OTHER~~  
28 ~~PERSONS~~;

29           (4)     there is a need to improve access, especially in rural areas, to  
30 efficient telecommunication and computer network connections;

31           (5)     ~~IMPROVED ACCESS TO HIGH SPEED TELECOMMUNICATION AND~~  
32 ~~COMPUTER NETWORKING CONNECTIONS IN DESIGNATED GROWTH AREAS,~~  
33 ~~PARTICULARLY IN UNSERVED AND UNDERSERVED PARTS OF THE STATE, WILL~~  
34 ~~FOSTER ECONOMIC DEVELOPMENT IN APPROPRIATE AREAS, FURTHERING THE GOAL~~  
35 ~~OF EQUITABLE DEVELOPMENT IN THE STATE BY:~~

36           (1)     ~~PROMOTING LOW-IMPACT ECONOMIC DEVELOPMENT THAT~~  
37 ~~WILL REQUIRE LITTLE ADDITIONAL TRADITIONAL CAPITAL INFRASTRUCTURE AND~~  
38 ~~CONSUMPTION OF LAND; AND~~

1                   (II)     ASSISTING COMMUNITY LEGACY AND REVITALIZATION  
 2 EFFORTS IN CURRENT POPULATION CENTERS OF UNSERVED AND UNDERSERVED  
 3 AREAS THROUGH PROMOTING REINVESTMENT IN THESE COMMUNITIES,  
 4 FACILITATING THE REUSE OF EXISTING BUILDINGS AND STRUCTURES IN THESE  
 5 COMMUNITIES, AND DRAWING EMPLOYEES FROM THE COMMUNITIES AND THEIR  
 6 ENVIRONS;

7                   (6)     improvement of telecommunication and computer networking [for  
 8 State and local governments and educational institutions] UNDER THIS SECTION  
 9 promotes economic development, educational resource use and development, and  
 10 efficiency in State and local administration; and

11                  [(6)]   (7)     the use of improved State telecommunication and computer  
 12 networking under this section is intended not to compete with commercial access to  
 13 advanced network technology, but rather to COMPLEMENT IT WHERE IT EXISTS, TO  
 14 PROVIDE ACCESS WHERE COMMERCIAL ACCESS IS LACKING, AND TO foster  
 15 fundamental efficiencies in government and education for the public good.

16           (b)    (1)     The Department shall establish a telecommunication and computer  
 17 network in the State.

18                   (2)     The network shall consist of:

19                   (i)     one or more connection facilities for telecommunication and  
 20 computer connection in each LATA in the State, SITED TO PROVIDE SUITABLE  
 21 ACCESS FOR RURAL AS WELL AS URBAN AND SUBURBAN AREAS;

22                   (ii)    a backbone comprising one or more inter-LATA fiber-optic  
 23 links between each telecommunication facility, using a failure-resistant architecture,  
 24 and adhering to [the DS3 standard or better] CURRENT COMMERCIAL BROADBAND  
 25 STANDARDS, to allow SUFFICIENT communication rates [of at least 45 megabits per  
 26 second,] and multiplexing for transmission of video, voice, and data;

27                   (III)    ON REQUEST OF A COUNTY OR MUNICIPAL CORPORATION,  
 28 POINTS OF PRESENCE IN GROWTH AREAS, AS DESIGNATED IN THE COUNTY OR  
 29 MUNICIPAL MASTER PLAN, THAT ARE ADJACENT TO THE BACKBONE; and

30                   [(iii)]   (IV)    facilities, auxiliary equipment, and services required to  
 31 support the network in a reliable and secure manner.

32           (C)     IN PLANNING THE INSTALLATION AND EXPANSION OF THE NETWORK,  
 33 THE DEPARTMENT SHALL CONSULT AND COORDINATE WITH OTHER STATE UNITS,  
 34 COUNTIES, MUNICIPAL CORPORATIONS, AND PUBLIC AND PRIVATE UTILITIES IN  
 35 ORDER TO:

36                   (1)     IDENTIFY AND CONSOLIDATE DEMAND FOR BROADBAND SERVICES  
 37 IN THE VARIOUS REGIONS OF THE STATE;

38                   (2)     IDENTIFY UNUSED CAPACITY IN EXISTING FACILITIES; AND

1           (3)     ~~PLAN THE OPTIMAL LOCATION OF POINTS OF PRESENCE IN EACH~~  
 2 ~~LATA IN THE STATE.~~

3     ~~[(c)] (D)     The network shall be accessible through direct connection and~~  
 4 ~~through local intra-LATA telecommunications to State and local governments and~~  
 5 ~~public and private educational institutions in the State.~~

6     SECTION 2. AND BE IT FURTHER ENACTED, That:

7     (a)     ~~On or before July 1, 2004, the~~ The Department of Business and Economic  
 8 Development, in assisting the Task Force on Broadband Communications  
 9 Deployment in Underserved Rural Areas, shall is strongly encouraged to identify  
 10 existing and significant potential demand for access to high-speed telecommunication  
 11 and data transmission services facilities in underserved rural areas of the State, in  
 12 consultation with local government officials, existing businesses, and existing  
 13 regional and local consortia and other groups involved with high-technology economic  
 14 development in those areas;.

15     (b)     ~~On or before July 1, 2004, the~~ The Department of Budget and  
 16 Management, in assisting the Task Force on Broadband Communications  
 17 Deployment in Underserved Rural Areas, shall is strongly encouraged to explore  
 18 expansion of high-speed telecommunication and data transmission capacity,  
 19 including fiber-optic cable and competing technologies, into underserved rural areas  
 20 that have existing and significant potential demand for the capacity afforded by  
 21 fiber-optic cable and competing technologies associated with State and local economic  
 22 development, by expansion of the State backbone and network under § 3-705 of the  
 23 State Finance and Procurement Article, through other Net.Work.Maryland or  
 24 successor initiatives, or through other public-private cooperation with commercial  
 25 providers of high-speed telecommunication and data transmission services, and ~~shall~~  
 26 also is also strongly encouraged to explore alternative models for delivering these  
 27 services in underserved rural areas;.

28     (c)     ~~On or before January 1, 2005, the~~ The Department of Business and  
 29 Economic Development, in consultation with the Department of Budget and  
 30 Management and in coordination with recommendations of the Task Force on  
 31 Broadband Communications Deployment in Underserved Rural Areas, shall is  
 32 strongly encouraged to facilitate the expansion of high-speed telecommunication and  
 33 data transmission services and facilities into underserved rural areas of the State by  
 34 matching existing and significant potential demand with private and public providers  
 35 of these services and facilities; ~~and~~

36     (d)     ~~On or before January 1, 2004, the Department of Business and Economic~~  
 37 ~~Development and the Department of Budget and Management shall report jointly,~~  
 38 ~~subject to § 2-1246 of the State Government Article, to the General Assembly on their~~  
 39 ~~progress in complying with this section.~~

40     SECTION 3. AND BE IT FURTHER ENACTED, That this Act shall take effect  
 41 July June 1, 2003. It shall remain effective for a period of 2 years and 1 month and, at

- 1 the end of June 30, 2005, with no further action required by the General Assembly,
- 2 this Act shall be abrogated and of no further force and effect.